D H E C
PROMOTE PROTECT PROSPER
Catherine E. Heigel, Director
Promoting and protecting the health of the public and the environment

CURRENT DATE

Mr. Knox Grant
Carolina-Pacific Briquetting Co., LLC
889 Robert E. Lee Boulevard
Charleston, SC 29412

Re: Construction Permit No. 0160-0025-CA

Dear Mr. Grant:

Enclosed is Construction Permit No. 0160-0025-CA. This construction permit is being issued in accordance with the plans, specifications and other information submitted in the construction permit application, as amended.

In addition to this permit to construct, a permit to operate is required in accordance with *South Carolina Regulation 61-62, Air Pollution Control Regulations and Standards*. The regulations require a written request for a new or revised operating permit to cover any new or altered source, postmarked no later than fifteen (15) days after the actual date of initial startup of each new or altered source unless a more stringent time frame is required.

Please note the emissions limitations and operational requirements contained within this permit. It is important for you and/or an authorized representative responsible for the overall operation of this facility to read this issued permit carefully and to understand all requirements. If any errors or omissions are discovered, please notify Wanda Parnell of my staff, via e-mail at wanda.parnell@dhec.sc.gov, or call (803) 898-1296 immediately.

Pursuant to the South Carolina Administrative Procedures Act, any Department decision involving the issuance, denial, renewal, suspension or revocation of a permit may be appealed by the applicant, permittee, licensee, and/or affected persons. Please see the enclosed "Guide to Board Review" for guidelines on filing an appeal.

Sincerely,

Elizabeth J. Basil
Director, Engineering Services Division, Bureau of Air Quality

EJB:wp:typist's initials lower case

Enclosure

cc: Permit File: 0160-0025

ec: Tim Pearson, BEHS
Charles Knight Consulting Associates, LLC (charlesknight8@yahoo.com)
Michael Shroup, Source Evaluation

D H E C

PROMOTE PROTECT PROSPER

South Carolina Department of Health and Environmental Control

Office of Environmental Quality Control
Bureau of Air Quality
Synthetic Minor Construction Permit

Carolina-Pacific Briquetting Co., LLC
1624 Bluff Road
Allendale, South Carolina 29810
Allendale County

Pursuant to the provisions of the *Pollution Control Act*, Sections 48-1-50(5) and 48-1-110(a), the 1976 *Code of Laws of South Carolina*, as amended, and *South Carolina Regulation 61-62, Air Pollution Control Regulations and Standards*, the Bureau of Air Quality authorizes the construction of this facility and the equipment specified herein in accordance with the plans, specifications, and other information submitted in the construction permit application received on April 16, 2015, as amended. All official correspondence, plans, permit applications, and written statements are an integral part of the permit. Any false information or misrepresentation in the application for a construction permit may be grounds for permit revocation.

The construction and subsequent operation of this facility is subject to and conditioned upon the terms, limitations, standards, and schedules contained herein or as specified by this permit and its accompanying attachments.

Permit Number: **0160-0025-CA**
Issue Date: **ISSUED DATE**

_____

Director, Engineering Services Division
Bureau of Air Quality

A. PROJECT DESCRIPTION

Permission is hereby granted to construct a wood fuel pellet plant. The plant will manufacture wood fuel pellets from clean, untreated wood chips and sawdust purchased from area sawmills. The pellets will be exported for use in power plants.

B. EQUIPMENT

Equipment ID	Equipment Description	Control Device ID	Emission Point ID
WSP	Wet Storage Pad	None	Fugitive
FH1	Feed Hopper (chip handling, 21.4 tons/hr max capacity)	None	Fugitive
FH2	Feed Hopper (chip handling, 21.4 tons/hr max capacity)	None	Fugitive
VS1	Vibratory Screening (chip handling, 21.4 tons/hr max capacity)	WHC1	ST1
WHM1	Green Hammermill (chip reduction, produces wet flakes, 21.4 tons/hr)	WHC1	ST1
BU1	Burner (40 MMBTU/hr, dry pine fines-fired, produces heat)	DCY1, DCY2, BU1	ST2
DR1	Rotary Dryer (dries wet flakes, 5.85 ODT/hr)	DCY1, DCY2, BU1	ST2
DR2	Rotary Dryer (dries wet flakes, 5.85 ODT/hr)	DCY1, DCY2, BU1	ST2
APU	Air Power Unit (collects rejects, 1 ODT/hr)	BH2	ST4
FHM1	Fuel Hammermill (reduces dry flakes to wood fuel, 4 ODT/hr)	FCY1, BH1, BH2, BU1	ST2, ST3, ST4
DHM1	Dry Hammermill (reduces dry flakes to pellet furnish, 10.8 ODT/hr)	DHC1, BH1, BH2, BU1	ST2, ST3, ST4
PM1	Pellet Mill (produces hot pellets, 5 ODT/hr)	PMC1, BH1, BH2	ST3, ST4
PM2	Pellet Mill (produces hot pellets, 5 ODT/hr)	PMC1, BH1, BH2	ST3, ST4
PCO1	Pellet Cooler (produces cool pellets, 10 ODT/hr)	COC1, BH1, BH2, BU1	ST2, ST3, ST4
AS1	Asperator (cleans pellets, 10 ODT/hr)	AC1, BH1, BH2	ST3, ST4
BU2	Burner (40 MMBTU/hr, natural gas-fired, produces heat)	DCY1, DCY2, BU2	ST2
PSAL	Pellet Storage and Load Out Area (contained under roof)	None	Fugitive
Roadways	Roadways	None	Fugitive

C. CONTROL DEVICES

Control Device ID	Control Device Description	Pollutant(s) Controlled
WHC1	Cyclone (25 tons max capacity, 40,000 cfm, 90% capture efficiency)	PM, PM_{10}, $PM_{2.5}$
DCY1	Dual Cyclone (6.5 tons max capacity, 40,000 cfm, 90% capture efficiency)	PM, PM_{10}, $PM_{2.5}$
DCY2	Dual Cyclone (6.5 tons max capacity, 40,000 cfm, 90% capture efficiency)	PM, PM_{10}, $PM_{2.5}$
FCY1	Cyclone (2.25 tons max capacity, 3,000 cfm, 90% capture efficiency)	PM, PM_{10}, $PM_{2.5}$
DHC1	Cyclone (10,000 cfm, 90% capture efficiency)	PM, PM_{10}, $PM_{2.5}$
PMC1	Cyclone (2,800 cfm, 90% capture efficiency)	PM, PM_{10}, $PM_{2.5}$
COC1	Cyclone (14,000 cfm, 90% capture efficiency)	PM, PM_{10}, $PM_{2.5}$
AC1	Cyclone (3,000 cfm, 90% capture efficiency)	PM, PM_{10}, $PM_{2.5}$
BH1	Baghouse (40,000 cfm, 99% capture efficiency)	PM, PM_{10}, $PM_{2.5}$

C. CONTROL DEVICES

Control Device ID	Control Device Description	Pollutant(s) Controlled
BH2	Baghouse (3,000 cfm, 99% capture efficiency)	PM, PM_{10}, $PM_{2.5}$
BU1	Burner (40 MMBTU/hr, dry pine fines-fired, produces heat)	PM, PM_{10}, $PM_{2.5}$
BU2	Burner (40 MMBTU/hr, natural gas-fired, produces heat)	PM, PM_{10}, $PM_{2.5}$

D. LIMITATIONS, MONITORING AND REPORTING CONDITIONS

Condition Number	Conditions
D.1	**Equipment/Control Device ID:** All (S.C. Regulation 61-62.1, Section II.J.1.g) A copy of the Department issued construction and/or operating permit must be kept readily available at the facility at all times. The owner or operator shall maintain such operational records; make reports; install, use, and maintain monitoring equipment or methods; sample and analyze emissions or discharges in accordance with prescribed methods at locations, intervals, and procedures as the Department shall prescribe; and provide such other information as the Department reasonably may require. All records required to demonstrate compliance with the limits established under this permit shall be maintained on site for a period of at least 5 years from the date the record was generated and shall be made available to a Department representative upon request.
D.2	**Equipment/Control Device ID:** VS1, WHM1/ WHC1; BU1, DR1, DR2/ DCY1, DCY2, BU1; FHM1/ FCY1, BH1, BH2, BU1; DHM1/ DHC1, BH1, BH2, BU1; PM1, PM2/ PMC1, BH1, BH2; PCO1/ COC1, BH1, BH2, BU1; AS1/ AC1, BH1, BH2; BU2/ DCY1, DCY2, BU2; APU/ BH2 The owner/operator shall inspect, calibrate, adjust, and maintain continuous monitoring systems, monitoring devices, and gauges in accordance with manufacturer's specifications or good engineering practices. The owner/operator shall maintain on file all measurements including continuous monitoring system or monitoring device performance measurements; all continuous monitoring system performance evaluations; all continuous monitoring system or monitoring device calibration checks; adjustments and maintenance performed on these systems or devices; and all other information required in a permanent form suitable for inspection by Department personnel.
D.3	**Equipment/Control Device ID:** VS1, WHM1/ WHC1; BU1, DR1, DR2/ DCY1, DCY2, BU1; FHM1/ FCY1, BH1, BH2, BU1; DHM1/ DHC1, BH1, BH2, BU1; PM1, PM2/ PMC1, BH1, BH2; PCO1/ COC1, BH1, BH2, BU1; AS1/ AC1, BH1, BH2; BU2/ DCY1, DCY2, BU2; APU/ BH2 All gauges shall be readily accessible and easily read by operating personnel and Department personnel (i.e. on ground level or easily accessible roof level). Monitoring parameter readings (i.e., pressure drop readings, etc.) and inspection checks shall be maintained in logs (written or electronic), along with any corrective action taken when deviations occur. Each incidence of operation outside the operational ranges, including date and time, cause, and corrective action taken, shall be recorded and kept on site. Exceedance of operational range shall not be considered a violation of an emission limit of this permit, unless the exceedance is also accompanied by other information demonstrating that a violation of an emission limit has taken place. Reports of these incidences shall be submitted semiannually. If no incidences occurred during the reporting period then a letter shall indicate such. Any alternative method for monitoring control device performance must be preapproved by the Department and shall be incorporated into the permit as set forth in S.C. Regulation 61-62.70.7.

D. LIMITATIONS, MONITORING AND REPORTING CONDITIONS

Condition Number	Conditions
D.4	**Equipment/Control Device ID:** VS1, WHM1/ WHC1; BU1, DR1, DR2/ DCY1, DCY2, BU1; FHM1/ FCY1, BH1, BH2, BU1; DHM1/ DHC1, BH1, BH2, BU1; PM1, PM2/ PMC1, BH1, BH2; PCO1/ COC1, BH1, BH2, BU1; AS1/ AC1, BH1, BH2; BU2/ DCY1, DCY2, BU2; APU/ BH2 For any source test required under an applicable standard or permit condition, the owner, operator, or representative shall comply with S.C. Regulation 61-62.1, Section IV - Source Tests. The owner, operator, or representative shall ensure that source tests are conducted while the source is operating at the maximum expected production rate or other production rate or operating parameter which would result in the highest emissions for the pollutants being tested. Some sources may have to spike fuels or raw materials to avoid being subjected to a more restrictive feed or process rate. Any source test performed at a production rate less than the rated capacity may result in permit limits on emission rates, including limits on production if necessary. The owner/operator shall comply with any limits that result from conducting a source test at less than rated capacity. A copy of the most recent Department issued source test summary letter, whether it imposes a limit or not, shall be maintained with the construction permit, for each source that is required to conduct a source test. Site-specific test plans and amendments, notifications, and source test reports shall be submitted to the Manager of the Source Evaluation Section, Bureau of Air Quality.
D.5	**Equipment/Control Device ID:** All (except Equipment IDs BU1 and BU2) (S.C. Regulation 61-62.5, Standard No. 4, Section IX) Where construction or modification began after December 31, 1985, emissions from these sources (including fugitive emissions) shall not exhibit an opacity greater than 20%, each. The owner/operator shall perform a visual inspection on a weekly basis. Visual inspection means a qualitative observation of opacity during daylight hours where the inspector records results in a log, noting color, duration, density (heavy or light), cause, and corrective action taken for any abnormal emissions. The observer does not need to be certified to conduct valid visual inspections. However, at a minimum, the observer should be trained and knowledgeable about the effects on visibility of emissions caused by background contrast, ambient lighting, and observer position relative to lighting, wind, and the presence of uncombined water. No periodic monitoring for opacity will be required during periods of burning natural gas only. Logs shall be kept to record all visual inspections, including cause and corrective action taken for any abnormal emissions and visual inspections from date of recording. The owner/operator shall submit semiannual reports. The report shall include records of abnormal emissions, if any, and corrective actions taken. If only natural gas was combusted or if the unit did not operate during the semiannual period, the report shall state so.
D.6	**Equipment/Control Device ID:** BU2 (S.C. Regulation 61-62.5, Standard No. 1, Section I) The fuel burning source(s) shall not discharge into the ambient air smoke which exceeds opacity of 20%. The opacity standards set forth above do not apply during startup or shutdown. The owner/operator shall, to the extent practicable, maintain and operate any source including associated air pollution control equipment in a manner consistent with good air pollution control practices for minimizing emissions. This source is permitted to burn only natural gas as fuel. The use of any other substances as fuel is prohibited without prior written approval from the Department.

D. LIMITATIONS, MONITORING AND REPORTING CONDITIONS

<table>
<tr><th>Condition Number</th><th>Conditions</th></tr>
<tr><td></td><td>Equipment/Control Device ID: BU1

(S.C. Regulation 61-62.5, Standard No. 1, Section I) The fuel burning source(s) shall not discharge into the ambient air smoke which exceeds opacity of 20%. The opacity limit may be exceeded for sootblowing, but may not be exceeded for more than 6 minutes in a one hour period nor be exceeded for more than a total of 24 minutes in a 24 hour period. Emissions caused by sootblowing shall not exceed an opacity of 60%.</td></tr>
<tr><td>D.7</td><td>The opacity standards set forth above do not apply during startup or shutdown. Owners and operators shall, to the extent practicable, maintain and operate any source including associated air pollution control equipment in a manner consistent with good air pollution control practices for minimizing emissions. In addition, the owner or operator shall maintain a log of the time, magnitude, duration, and any other pertinent information to determine periods of startup and shutdown and make available to the Department upon request.

This source is permitted to burn only clean, untreated wood as fuel. The use of any other substances as fuel is prohibited without prior written approval from the Department.</td></tr>
<tr><td>D.8</td><td>Equipment/Control Device ID: All (except FH1, FH2, PSAL, WSP, Roadways)

(S.C. Regulation 61-62.5, Standard No. 4, Section VIII) Particulate matter emissions shall be limited to the rate specified by use of the following equations:
For process weight rates less than or equal to 30 tons per hour
E = (F) 4.10P0.67 and
For process weight rates greater than 30 tons per hour
E = (F) 55.0P0.11 – 40
Where E = the allowable emission rate in pounds per hour
P = process weight rate in tons per hour
F = effect factor from Table B in S.C. Regulation 61-62.5, Standard No. 4

For the purposes of compliance with this condition, the process boundaries are defined as follows:

<table>
<tr><th>Process/Equipment IDs</th><th>Max Process Weight Rate (ton/hr)</th></tr>
<tr><td>Wood Pelletizing Process</td><td>10</td></tr>
</table>

The owner/operator shall install and maintain pressure drop gauge(s) on each module of each baghouse. Pressure drop readings for each baghouse shall be recorded each shift during source operation. Operation and maintenance checks shall be made on at least a weekly basis for baghouse cleaning systems, dust collection hoppers and conveying systems for proper operation. Each baghouse/cyclone shall be in place and operational whenever processes, controlled by each baghouse/cyclone, are running, except during periods of baghouse/cyclone malfunction or mechanical failure.

The following operation and maintenance checks will be made on at least a weekly basis for each baghouse/cyclone:
(a) Check each baghouse/cyclone and ductwork system for damaged or worn sheet metal or other interferences with proper operation.
(b) Check dust collection hoppers and conveying systems for proper operation.
The results from the operation and maintenance checks shall be maintained in logs (written or electronic), along with any corrective action taken.</td></tr>
</table>

D. LIMITATIONS, MONITORING AND REPORTING CONDITIONS

Condition Number	Conditions
D.9	**Equipment/Control Device ID:** DR1, DR2/ BU1, BU2 (S.C. Regulation 61-62.5, Standard No. 1, Section III) The maximum allowable discharge of sulfur dioxide (SO2) resulting from these sources is 2.3 pounds per million BTU input. (S.C. Regulation 61-62.5, Standard No. 1, Section II) The maximum allowable discharge of particulate matter resulting from these sources is 0.6 pounds per million BTU input. Compliance has been demonstrated by engineering calculations. The uncontrolled emission rate is less than the maximum allowed.
D.10	**Equipment/Control Device ID:** DR1, DR2/ BU1, BU2 (S.C. Regulation 61-62.5, Standard No. 5.2, Section III) The allowable discharge of NO_x resulting from the dryers combined is 0.675 pounds NO_x per million BTU from the combined dryers; a 30% reduction would result in a limit of 0.473 pounds per million BTU from the dryers combined. (S.C. Regulation 61-62.5, Standard No. 5.2, Section VI) The owner/operator of a subject combustion source shall develop a tune-up plan and perform tune-ups every two years in accordance with manufacturer's specifications or with good engineering practices from start-up of operation. All tune-up records are required to be maintained on site.
D.11	**Equipment/Control Device ID:** All (S.C. Regulation 61-62.6) Fugitive particulate matter (PM) emissions from material handling, process equipment, control equipment, or storage piles will be minimized to the maximum extent possible. This will include proper maintenance of the control systems such as scheduled inspections, replacement of damaged or worn parts, etc. Fugitive emissions from dust buildup will be controlled by proper housekeeping and/or wet suppression.
D.12	**Equipment/Control Device ID:** PSAL/ None (S.C. Regulation 61-62.5, Standard No. 4, Section X) All non-enclosed operations shall be conducted in such a manner that a minimum of particulate matter becomes airborne. In no case shall established ambient air quality standards be exceeded at or beyond the property line. The owner/operator of all such operations shall maintain dust control of the premises and any roadway owned or controlled by the owner/operator by paving or other suitable measures. Oil treatment is prohibited.

D. LIMITATIONS, MONITORING AND REPORTING CONDITIONS

Condition Number	Conditions
D.13	**Equipment/Control Device ID:** All (S.C. Regulation 61-62.1, Section II.E) This facility is a potential major source for PM, VOC, and hazardous air pollutants (HAP) emissions. The facility has agreed to federally enforceable operating limitations to limit its potential to emit to less than 10 tons per year for any single HAP emission and 25 tons per year for any combination of HAP emissions to avoid PSD and MACT applicability and less than 250 tons per year for PM and VOC emissions to avoid PSD applicability. The owner/operator shall exhaust all of the gases sourced from the dryers, dry hammermills, pellet cooler, and pellet mills to the burners at a 50% rate, whenever these processes and equipment are running. The owner/operator shall maintain operational records of all PM, VOC, and HAP emissions. These records shall include any information necessary to determine PM, VOC, and HAP emissions. PM, VOC, and HAP emissions shall be calculated on a monthly basis and a twelve-month rolling sum shall be calculated for total PM, total VOC, individual HAP, and total HAP emissions. Emissions from malfunctions are required to be quantified and included in the calculations. The twelve-month rolling sum shall be less than 250 tons PM, less than 250 tons VOC, less than 10 tons single HAP, and less than 25 tons total HAP. Reports of the calculated values and the twelve-month rolling sum, calculated for each month in the reporting period, shall be submitted semiannually. An algorithm, including example calculations and emission factors, explaining the method used to determine emission rates shall only be included in the initial report. Subsequent submittals of the algorithm are required within 30 days of the change if the algorithm or basis for emissions is modified or the Department requests additional information.
D.14	**Equipment/Control Device ID:** VS1, WHM1/ WHC1; BU1, DR1, DR2/ DCY1, DCY2, BU1; FHM1/ FCY1, BH1, BH2, BU1; DHM1/ DHC1, BH1, BH2, BU1; PM1, PM2/ PMC1, BH1, BH2; PCO1/ COC1, BH1, BH2, BU1; AS1/ AC1, BH1, BH2; BU2/ DCY1, DCY2, BU2 Within 180 days of startup, the owner/operator shall conduct initial performance tests to demonstrate compliance with the estimated emission rates from the burner/dryer stacks for the following: visual emissions, total PM, PM_{10}, $PM_{2.5}$, nitrogen oxides, carbon monoxide, volatile organic compounds, acetaldehyde, formaldehyde, & methanol. Performance testing shall be conducted with the equipment operating under normal conditions and at the maximum production rate. Periodic testing for VOC destruction efficiency shall be performed at the burner/dryer stacks every four (4) years thereafter. During the performance testing, the owner/operator shall continuously measure and record the oxygen (O_2) levels in the burners to establish the range for O_2 levels in the burners. In addition, the owner/operator shall establish the upper operating limit for the inlet and outlet temperatures to the burner/dryer. An initial source test shall be performed within 180 days of startup to establish minimum and maximum pressure drops across the baghouses (IDs BH1 and BH2).

E. AMBIENT AIR STANDARDS REQUIREMENTS

Condition Number	Condition
E.1	Air dispersion modeling (or other method) has demonstrated that this facility's operation will not interfere with the attainment and maintenance of any state or federal ambient air standard. Any changes in the parameters used in this demonstration may require a review by the facility to determine continuing compliance with these standards. These potential changes include any decrease in stack height, decrease in stack velocity, increase in stack diameter, decrease in stack exit temperature, increase in building height or building additions, increase in emission rates, decrease in distance between stack and property line, changes in vertical stack orientation, and installation of a rain cap that impedes vertical flow. Parameters that are not required in the determination will not invalidate the demonstration if they are modified. The emission rates used in the determination are listed in Attachment - Emission Rates for Ambient Air Standards of this permit. Higher emission rates may be administratively incorporated into Attachment - Emission Rates for Ambient Air Standards of this permit provided a demonstration using these higher emission rates shows the attainment and maintenance of any state or federal ambient air quality standard or with any other applicable requirement. Variations from the input parameters in the demonstration shall not constitute a violation unless the maximum allowable ambient concentrations identified in the standard are exceeded. The owner/operator shall maintain this facility at or below the emission rates as listed in Attachment - Emission Rates for Ambient Air Standards, not to exceed the pollutant limitations of this permit. Should the facility wish to increase the emission rates listed in Attachment - Emission Rates for Ambient Air Standards, not to exceed the pollutant limitations in the body of this permit, it may do so by the administrative process specified above. This is a State Only enforceable requirement.

F. RESERVED

G. RESERVED

H. PERIODIC REPORTING SCHEDULE

Compliance Monitoring Report Submittal Frequency	Reporting Period (Begins on the startup date of the source.)	Report Due Date
Quarterly	January-March April-June July-September October-December	April 30 July 30 October 30 January 30
Semiannual	January-June April-September July-December October-March	July 30 October 30 January 30 April 30
Annual	January-December April-March July-June October-September	January 30 April 30 July 30 October 30
Note: This reporting schedule does not supersede any federal reporting requirements including but not limited to 40 CFR Part 60, 40 CFR Part 61, and 40 CFR Part 63. All federal reports must meet the reporting time frames specified in the federal standard unless the Department or EPA approves a change.		

I. REPORTING CONDITIONS

Condition Number	Condition
I.1	Reporting required in this permit, shall be submitted in a timely manner as directed in the Periodic Reporting Schedule of this permit.

I. REPORTING CONDITIONS

Condition Number	Condition
I.2	All reports and notifications required under this permit shall be submitted to the person indicated in the specific condition at the following address: **2600 Bull Street** **Columbia, SC 29201** The contact information for the local EQC Regional office can be found at: **http://www.scdhec.gov**
i.3	The owner/operator shall submit written notification to the Director of Engineering Services of the date construction is commenced, postmarked no later than 30 days after such date.
I.4	Unless elsewhere specified within this permit, all reports required under this permit shall be submitted to the Manager of the Technical Management Section, Bureau of Air Quality.
I.5	(S.C. Regulation 61-62.1, Section II.J) For sources not required to have continuous emissions monitors, any malfunction of air pollution control equipment or system, process upset or other equipment failure which results in discharges of air contaminants lasting for one hour or more and which are greater than those discharges described for normal operation in the permit application shall be reported to the Department's local Environmental Quality Control Regional office within 24 hours after the beginning of the occurrence. The owner/operator shall also submit a written report within 30 days of the occurrence. This report shall be submitted to the Manager of the Technical Management Section, Bureau of Air Quality and shall include, at a minimum, the following: 1. The identity of the stack and/or emission point where the excess emissions occurred; 2. The magnitude of excess emissions expressed in the units of the applicable emission limitation and the operating data and calculations used in determining the excess emissions; 3. The time and duration of excess emissions; 4. The identity of the equipment causing the excess emissions; 5. The nature and cause of such excess emissions; 6. The steps taken to remedy the malfunction and the steps taken or planned to prevent the recurrence of such malfunction; 7. The steps taken to limit the excess emissions; and, 8. Documentation that the air pollution control equipment, process equipment, or processes were at all times maintained and operated, to the maximum extent practicable, in a manner consistent with good practice for minimizing emissions.

J. PERMIT EXPIRATION AND EXTENSION

Condition Number	Condition
J.1	(S.C. Regulation 61-62.1, Section II.A.4) Approval to construct shall become invalid if construction: a. is not commenced within 18 months after receipt of such approval; b. is discontinued for a period of 18 months or more; or c. is not completed within a reasonable time as deemed by the Department. The Department may extend the construction permit for an additional 18-month period upon a satisfactory showing that an extension is justified. This request must be made prior to the permit expiration.
J.2.	This provision does not apply to the time period between construction of the approved phases of a phased construction project; each phase must commence construction within 18 months of the projected and approved commencement date.

K. PERMIT TO OPERATE

Condition Number	Condition
K.1	(S.C. Regulation 61-62.1 Section II.F.2) The owner/operator or professional engineer in charge of the project shall certify that, to the best of his/her knowledge and belief and as a result of periodic observation during construction, the construction under application has been completed in accordance with the specifications agreed upon in the construction permit issued by the Department.
K.2	If construction is certified as provided in S.C. Regulation 61-62.1 Section II.F.2, the owner or operator, may operate the source in compliance with the terms and conditions of the construction permit until the operating permit is issued by the Department.
K.3	If construction is not built as specified in the permit application and associated construction permit(s), the owner/operator must submit to the Department a complete description of modifications that are at variance with the documentation of the construction permitting determination prior to commencing operation. Construction variances that would trigger additional requirements that have not been addressed prior to start of operation shall be considered construction without a permit.
K.4	(S.C. Regulation 61-62.1, Section II.F.3) For sources not yet covered by an effective Title V operating permit, the owner or operator shall submit a written request to the Director of the Engineering Services for a new or revised operating permit to cover any new, or altered source, postmarked no later than 15 days after the actual date of initial startup of each new or altered source. (S.C. Regulation 61-62.70.5.a) The owner or operator shall submit a timely and complete Part 70 permit application within 12 months of startup.

L. EMISSIONS INVENTORY REPORTS

Condition Number	Condition
L.1	All newly permitted and constructed Title V sources and/or Non-attainment Area Sources shall complete and submit an emissions inventory consistent with the schedule approved pursuant to S.C. Regulation 61-62.1, Section III. These Emissions Inventory Reports shall be submitted to the Manager of the Emissions Inventory Section, Bureau of Air Quality. This requirement notwithstanding, an emissions inventory may be required at any time in order to determine the compliance status of any facility.

M. GENERAL CONDITIONS

Condition Number	Condition
M.1	The permittee shall pay permit fees to the Department in accordance with the requirements of S.C. Regulation 61-30, Environmental Protection Fees.

M. GENERAL CONDITIONS

Condition Number	Condition
M.2	In the event of an emergency, as defined in S.C. Regulation 61-62.1, Section II.L, the owner or operator shall demonstrate the affirmative defense of an emergency through properly signed, contemporaneous operating logs, and other relevant evidence that verify: 1. An emergency occurred, and the owner or operator can identify the cause(s) of the emergency; 2. The permitted source was at the time the emergency occurred being properly operated; 3. During the period of the emergency, the owner or operator took all reasonable steps to minimize levels of emissions that exceeded the emission standards, or other requirements in the permit; and 4. The owner or operator gave a verbal notification of the emergency to the Department within 24 hours of the time when emission limitations were exceeded, followed by a written report within 30 days. The written report shall include, at a minimum, the information required by S.C. Regulation 61-62.1, Section II.J.1.c.i through viii. The written report shall contain a description of the emergency, any steps taken to mitigate emissions, and corrective actions taken. In any enforcement action, the owner or operator seeking to establish the occurrence of an emergency has the burden of proof. This provision is in addition to any emergency, or upset provision contained in any applicable requirement.
M.3	(S.C. Regulation 61-62.1, Section II.O) Upon presentation of credentials and other documents as may be required by law, the owner or operator shall allow the Department or an authorized representative to perform the following: 1. Enter the facility where emissions-related activity is conducted, or where records must be kept under the conditions of the permit. 2. Have access to and copy, at reasonable times, any records that must be kept under the conditions of the permit. 3. Inspect any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under this permit. 4. As authorized by the Federal Clean Air Act and/or the S.C. Pollution Control Act, sample or monitor at reasonable times substances or parameters for the purpose of assuring compliance with the permit or applicable requirements.

ATTACHMENT - Emission Rates for Ambient Air Standards

Carolina-Pacific Briquetting Co., LLC
0160-0025-CA
PAGE 1 OF 2

The emission rates listed herein are not considered enforceable limitations but are used to evaluate ambient air quality impact. Until the Department makes a determination that a facility is causing or contributing to an exceedance of a state or federal ambient air quality standard, increases to these emission rates are not in themselves considered violations of these ambient air quality standards (see Ambient Air Standards Requirements).

STANDARD NO. 2 – AMBIENT AIR QUALITY STANDARDS EMISSION RATES (LBS/HR)							
Emission Point ID	**PM10**	**PM2.5**	**SO2**	**NOx**	**CO**	**Lead**	**Gaseous Fluorides (as HF)**
ST1	0.033	--	--	--	--	--	--
ST2	1.112	--	1.0	5.863	35.39	--	--
ST3	0.012	--	--	--	--	--	--
ST4	0.226	--	--	--	--	--	--
PSAL	0.024	--	--	--	--	--	--

STANDARD NO. 2 – EXEMPTED AMBIENT AIR QUALITY STANDARDS EMISSION RATES (LBS/HR)							
Emission Point ID	**PM10**	**PM2.5**	**SO2**	**NOx**	**CO**	**Lead**	**Gaseous Fluorides (as HF)**
ST1	--	0.007	--	--	--	--	--
ST2	--	0.22	--	--	--	0.002	--
ST3	--	0.049 (1)	--	--	--	--	--
ST4	--		--	--	--	--	--
PSAL	--	0.022	--	--	--	--	--
1) Combined for ST3 & ST4.							

STANDARD NO. 7 - PSD CLASS II INCREMENT EMISSION RATES (LBS/HR)				
Emission Point ID	**Minor Source Baseline Date(s)**			
	12/27/2007	**None**	**12/27/2007**	**12/27/2007**
	PM10	**PM2.5**	**SO2**	**NOx**
ST1	0.033	--	--	--
ST2	1.112	--	1.0	5.836
ST3	0.012	--	--	--
ST4	0.226	--	--	--
PSAL	0.024	--	--	--

ATTACHMENT - Emission Rates for Ambient Air Standards

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STANDARD NO. 8 - TOXIC AIR POLLUTANTS EMISSION RATES (LBS/HR)				
Emission Point ID	**Formaldehyde**	**--**	**--**	**--**
	50-00-0	**--**	**--**	**--**
ST2	0.005			
ST3	0.049	--	--	--

STANDARD NO. 8 – TOXIC AIR POLLUTANTS LEVEL I DE MINIMIS ANALYSIS			
Pollutant	**CAS Number**	**Emission Rate (LBS/DAY)**(1)	**De Minimis (LBS/DAY)**
Acetaldehyde	75-07-0	10.660	21.600
Methanol	67-56-1	15.330	15.720
1) Emission rates are rounded to three decimal places to compare to the de minimis threshold.			